WAMH Records Correspondence regarding tax deductibility of donations 1955 Box: 2 Folder: 26

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☆ON LEAVE OF ABSENCE IN GOVERNMENT SERVICE

ANDREW R. MC COWN 1913-1950
EVERETT H. BROWN, JR. 1912-1951
GROVER C. LADNER 1952-1954

FREDERIC L. CLARK
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November 7, 1955

Dear Bugs:

Re: Tax Deductibility of Contributions to Station WAMF

Under the Income Tax Laws a deduction (within certain limits which are not pertinent to the present discussion) is allowed to individuals for "a contribution or gift to or for the use of . . . a corporation . . . fund or foundation . . . organized and operated exclusively for . . . educational purposes . . ." provided that no part of the earnings of the corporation inure to the benefit of a private shareholder or individual, that no substantial part of the activities of the corporation consists of attempting to influence legislation (lobbying), and that the contribution or gift (if made by a corporation) is to be used only within the United States or its possessions for the charitable purpose. The Trustees of Amherst College are recognized by the Treasury Department as a charitable organization within the meaning of the law. Station WAMF is not listed in the latest cumulative list of organizations approved as charities by the Treasury Department (as of October 31, 1954). This does not mean that the station would not be listed if it made a formal application for tax exemption to the Treasury Department. In all probability it means merely that no such application has been made. Neither does the lack of listing mean that gifts made to the Station would not qualify as charitable gift deductions for those who make them. However, as a practical matter, it is always safer for an individual to make his charitable gifts to charities which are formally recognized as such by the Treasury Department, whenever possible. The mere fact that a gift may be earmaked for a particular activity conducted or supported by the donee is immaterial. Therefore, the safest and most practical thing for the Station's benefactors is for them to make their contributions to the Trustees of Amherst College and to specify that the gifts are to be used exclusively for the support and benefit of WAMF. The same principles apply in the case of legacies which might be given by alumni or friends in their Wills, except that there are no limitations on the amounts of charitable gifts which may be deducted for Federal Estate Tax purposes.

Incidentally, the "Harvard Fund" which annually solicits gifts to Harvard College and which always operates under the name of "Harvard Fund" nevertheless requests all donors to draw their checks to the

order of the Treasurer of Harvard College--probably for much the same reasons which I have outlined above.

Does this answer your questions and give you something practical to go by?

Sincerely,

Dad

JFM:K